

PANAMA

Panama, a constitutional democracy with an elected executive composed of a president and two vice presidents, has a population of approximately 3.3 million. In 2004 Democratic Revolutionary Party candidate Martin Torrijos won the presidency in national elections considered to be generally free and fair by international and domestic observers. Civilian authorities generally maintained effective control of the security forces.

Although the government generally respected the human rights of its citizens, serious problems remained. These included harsh prison conditions and abuse by prison guards; prolonged pretrial detention; corruption, ineffectiveness, and political manipulation of the judicial system; political pressure on the media; discrimination and violence against women; trafficking in persons; discrimination against indigenous communities; and child labor.

RESPECT FOR HUMAN RIGHTS

Section 1 Respect for the Integrity of the Person, Including Freedom From:

a. Arbitrary or Unlawful Deprivation of Life

There were no reports that the government or its agents committed arbitrary or unlawful killings.

The Truth Commission, which operated from 2000 to 2004, documented 70 cases of murder and 40 disappearances during the 1968-89 military dictatorship. In October the attorney general announced that investigations had been either opened or reopened in 47 of these 110 cases in the past three years because of new evidence brought forward by the Special Instruction Agency of the Public Ministry. Sets of remains have been found in 15 of these 47 cases.

In July the attorney general opened an investigation into the alleged killings of more than 20 persons who reportedly were thrown from helicopters in the Darien region in the period 1982-83.

In December the attorney general charged the former minister of government and justice with homicide for a killing in 1971. The charge followed a series of investigative reports in the daily

newspaper *La Prensa* about alleged crimes committed by the sitting minister during the military dictatorship.

b. Disappearance

There were no reports of politically motivated disappearances.

The Supreme Court of Justice has ruled that the statute of limitations bars further prosecution of seven of the 40 cases of persons who disappeared during the 1968-89 military dictatorship.

The Public Ministry sent four sets of remains to DNA laboratories abroad for a determination of identity. Collateral evidence suggested that one set of remains pertained to priest Hector Gallego, who disappeared in 1971.

In September the Inter-American Commission on Human Rights (IACHR) ordered the government to pay \$206,000 (the U.S. dollar is the official paper currency but is officially referred to as the Balboa) to the family of Heliodoro Portugal, who disappeared in 1970 during the military dictatorship, and to investigate, prosecute, and punish those responsible for his disappearance.

c. Torture and Other Cruel, Inhuman, or Degrading Treatment or Punishment

The constitution prohibits treatment or punishment that harms the physical, mental, or moral integrity of persons.

Prison guards sometimes physically abused inmates. Through October the Panamanian National Police (PNP) Directorate of Professional Responsibility (DRP) opened 35 cases of prison guard abuse against inmates. The ombudsman received 169 complaints about prisons and prison guards, including complaints about abuse, general prison conditions, permission to work and study, and other complaints.

Prison and Detention Center Conditions

Prison conditions remained harsh and, in some cases, life threatening. Many problems within the prisons stemmed from overcrowding, lack of separation of inmates according to the type or severity of the crime committed, and the use of police stations as detention facilities. As of September the prison system, which had an official capacity of 7,115 persons, held 10,570 prisoners.

Abuse by prison guards, mainly PNP custodians, was a problem. Generally, authorities forwarded cases involving criminal offenses to the Public Ministry for prosecution. As of September the Public Ministry had opened cases against 35 officers for corruption, abuse of authority, violence, and other offenses.

Prison authorities provided inadequate medical care. HIV/AIDS, tuberculosis, hepatitis B, and other communicable diseases were common among the prison population. Through early September, 25 prisoners died of such causes as AIDS, stabbing, and cardiac arrest. During the year only 15 physicians served the prison system; they provided medical attention during limited morning hours. In February a 60-bed clinic opened at La Joyita.

By year's end two persons allegedly involved in the January 2007 killing of one inmate and the wounding of another in the Basilio Lakas detention facility were in custody awaiting trial. In the first four months of the year, four civilian corrections officers were dismissed for various offenses, and 10 former civilian correction officers were imprisoned for drug-related crimes.

The General Penitentiary Inspection Directorate (DGSP) depended on 732 PNP officers to supply both internal and perimeter security at all prisons. There were 707 civilian custodians for the entire prison system. The DGSP continued to use regular PNP officers, who sometimes lacked training for prison duty, to fill staffing gaps. In prisons controlled by the PNP, prisoners complained of human rights violations, such as limited time outside of cells and limited access to family visits. Civilian custodians are responsible for inmates within Nueva Esperanza, Tinajitas, El Renacer, and the central women's prisons in Panama and Chiriqui provinces.

Small jails attached to local police stations around the country sometimes held prisoners for the entire length of their sentences, but police officers who guarded them lacked the necessary custodial training to prevent abuses, and typically the detention facilities were not suitable for long-term detention.

Although conditions at women's prisons and at juvenile detention centers were noticeably better than at adult male prisons, female prisoners, especially in primary detention areas, reportedly suffered from overcrowding, poor medical care, and lack of basic supplies for personal hygiene. There were no

reports of sexual or other violence in women's prisons. These prisons were administered by female directors, custodians, and secretaries. Unlike prisons for men, women's prisons did not maintain conjugal visit programs.

With the exception of one modern facility near Panama City, juvenile pretrial and custodial detention centers throughout the country suffered from inadequate resources to provide for education or supervision. Pretrial detainees often shared cells with convicted prisoners, and first offenders were held with recidivists due to space constraints.

The Office of the Ombudsman had an established prison visit program, and the government generally allowed ombudsman staff to speak with prisoners without monitoring. The office accepted complaints from prisoners or their families; however, prisoners expressed fear of retaliation if they complained. The nongovernmental organization (NGO) Justicia y Paz of the Catholic Bishops Conference brought prison abuses to the attention of the authorities, including the presentation in March of a report to the IACHR regarding abuses and other dangerous conditions in prisons.

d. Arbitrary Arrest or Detention

The law prohibits arbitrary arrest and detention, and the government generally observed these prohibitions. The law permits exceptions when an officer apprehends a person during the commission of a crime or when an individual interferes with an officer's actions. The law provides that suspects be brought promptly before a judge; however, lack of prompt arraignment continued to be a problem. The law requires arresting officers to inform detainees immediately of the reasons for arrest or detention and of the right to immediate legal counsel. There is a functioning bail system and detainees were allowed prompt access to family members. During the year the police arrested and detained 2,699 children for minor infractions during neighborhood sweeps.

Role of the Police and Security Apparatus

The Judicial Technical Police was absorbed into the PNP at the beginning of the year and replaced by a new judicial investigation unit, the Directorate of Judicial Investigation. Although its primary mission is law enforcement, the PNP was also detailed for prison security. At the beginning of the year, a National Frontier Directorate was created within the PNP, and

in August it became an independent force, the National Frontier Service (SENAFRONT). The country has no army, although civilians, the media, and political opponents of the government claimed that SENAFRONT would become a "mini-army." The PNP and SENAFRONT are under the civilian authority of the Ministry of Government and Justice. There were 14,682 police officers in PNP and SENAFRONT altogether. The law includes specific guidelines for the use of force, including deadly force; requires that police officers respect human rights; and prohibits instigation or tolerance of torture, cruelty, or other inhuman or degrading behavior.

Corruption among police officers remained a problem. Police officers frequently were involved in cases of narcotics smuggling and other crimes. The government regularly investigated and prosecuted officials involved in criminal activity. In October the PNP director announced that five police officers would be removed from their posts and turned over to authorities for alleged links to a drug theft.

During the year prisoners at La Joya prison paid prison guards on two separate occasions to help them escape; several officers were later arrested and faced criminal charges. Problems of corruption at the higher levels of the PNP remained and generally were not pursued as vigorously as were cases against lower-level officers. In October, however, the DRP referred to the Public Ministry a case against a high-level officer for misappropriation of public funds after an internal investigation found him guilty.

The DRP has a staff of independent investigators to hold officers accountable for their actions, administrative authority to open internal investigations, and a defined legal process. The staff received training in polygraph usage and conducting internal investigations.

The PNP's deputy director and secretary general addressed human rights problems that arose in the police force. A new Directorate of Human Rights, created in September, is responsible for levying sanctions on officers for human rights violations. Through October the human rights ombudsman received 24 complaints against police officials for abuse of authority. PNP officers regularly underwent human rights training.

As of September the DRP had opened 751 disciplinary proceedings against police, including 123 for domestic violence, 86 for

corruption, and 99 for inappropriate conduct. Through September the PNP dismissed 18 officers, including nine for corruption.

Arrest and Detention

The law prohibits police from detaining suspects for more than 48 hours without judicial authorization but permits detention of minors for 72 hours. The preliminary investigation phase may last from eight days to two months and the follow-up investigation phase another two to four months, depending on the number of suspects.

Extended pretrial detention continued to be a serious problem in part because of the use of a written inquisitorial system. According to government statistics, approximately 57 percent of prisoners were pretrial detainees. There was often prolonged pretrial detention, which at times exceeded the maximum sentence for the alleged crime. While the law provides for bail, in practice judges often declined to grant it. Detainees were allowed prompt access to legal counsel and family members, and the government provided indigent defendants with a lawyer.

e. Denial of Fair Public Trial

Although the law provides for an independent judiciary, the judicial system was susceptible to corruption and outside influence, including manipulation by other branches of government. The president appoints nine Supreme Court of Justice magistrates to 10-year terms subject to National Assembly ratification. The Supreme Court of Justice magistrates, in turn, appoint appellate Superior Tribunal judges, who appoint circuit and municipal court judges in their respective jurisdictions. Although the law provides for these judicial appointments to be made under a merit-based system, certain civil society groups maintained that political influence and undue interference by higher-level judges undermined the system.

At the local level, mayors appoint "corregidores" (administrative judges), who exercise jurisdiction over minor civil cases and power over the arrest and imposition of fines or jail sentences of up to one year. Outside of Panama City, this system had serious shortcomings. Defendants lacked adequate procedural safeguards. Corregidores usually were not attorneys. In practice appeal procedures were generally nonexistent. Affluent defendants often paid fines while poorer defendants went to jail, contributing to prison overcrowding.

Trial Procedures

The law provides that all citizens charged with crimes have the right to counsel, to be presumed innocent until proven guilty, to refrain from incriminating themselves or close relatives, and to be tried only once for a given offense. If not under pretrial detention, the accused may be present with counsel during the investigative phase of the proceeding. On June 17, the National Assembly approved a new Code of Criminal Procedures (new Code), through which the country will transition over six years from an inquisitorial to an accusatory system of justice. The new Code also incorporates anticorruption elements, such as regulations to penalize conflicts of interest, protect witnesses and whistleblowers, and allow the use of plea bargaining.

Trials are open to the public. The law provides for trial by jury at the defendant's election but only in cases where at least one of the charges is murder. Judges may order the presence of pretrial detainees for rendering or amplification of statements or for confronting witnesses. Trials are conducted on the basis of evidence presented by the public prosecutor. Defendants have the right to be present at trial and to consult with an attorney in a timely manner. Defendants can confront or question witnesses against them and present witnesses and evidence on their behalf. Defendants and their attorneys have access to government-held evidence relevant to their cases. Defendants have a right of appeal. The law extends these rights to all citizens.

The law obliges the government to provide public defenders for the indigent. Many public defenders, however, were appointed late in an investigation, after the prosecutor already had evaluated the bulk of the evidence and decided to recommend trial. Public defenders' caseloads remained extremely high, averaging 265 cases per attorney per year.

Political Prisoners and Detainees

There were no reports of political prisoners or detainees.

Civil Judicial Procedures and Remedies

The constitution and the judicial code establish an independent judiciary in civil matters. Political manipulation of the judicial system remained a problem, and bureaucratic delays hindered access to judicial and administrative remedies for

human rights violations. There were problems in enforcing domestic court orders.

f. Arbitrary Interference with Privacy, Family, Home, or Correspondence

The law prohibits such actions and the government generally respected these prohibitions; however, there were complaints that in some cases law enforcement authorities failed to follow legal requirements and conducted unauthorized searches.

In an effort to prevent unauthorized searches, the Public Ministry maintained one representative to approve searches in each PNP division. The representative approved several searches during the year.

Section 2 Respect for Civil Liberties, Including:

a. Freedom of Speech and Press

The law provides for freedom of speech and of the press. In practice individuals generally enjoyed freedom of expression, although there were some attempts to impede it.

The independent media were active and expressed a variety of views without restriction. The government owned one educational television station and one radio station. The law prohibits newspapers from holding radio and television concessions and vice versa. International media operated freely in the country.

Journalists and press freedom advocacy organizations reported that the government engaged in substantial manipulation of the free flow of information. Journalists alleged that the government purchased advertising space to reward news organizations for publishing favorable stories and withdrew advertising funding from news organizations engaged in unfavorable coverage. Legal actions were pending against many journalists. The IACHR, the Inter-American Press Association, Reporters Without Borders, and other groups criticized these measures as efforts to censor the press.

In May the new Code came into effect with mixed results for freedom of the press. The new Code abolished Article 175, which sanctioned criminal and civil libel cases against journalists. Two new articles allow prosecution of journalists for vague and undefined charges against exposing private information and documents, even those deemed of public interest. The new Code

also permits the prosecution of journalists for publishing information and documents restricted or classified by the government on national security grounds. NGOs asserted that these articles threatened freedom of speech and press.

In July the Supreme Court overturned as unconstitutional 183 pardons issued by former president Moscoso, including those of several journalists who had been convicted of libel under laws no longer in force. Journalists welcomed the ruling as a correcting executive power abuse; however, the actual impact on journalists involved remained uncertain at year's end because the court's decision requires the cases to be returned to their "original state," which was yet to be clarified by the government.

In September a judge ordered the seizure of the local newspaper *El Periodico*'s assets for publishing the tax returns of a prominent businessman. After the judgment the newspaper published two additional issues before going out of business. The case remained under appeal.

Internet Freedom

There were no government restrictions on access to the Internet and no reports that the government monitored e-mail or Internet chat rooms. Individuals and groups could engage in the peaceful expression of views via the Internet, including by e-mail. The International Telecommunication Union reported that 22 percent of the nation's populace used the Internet in 2007.

Academic Freedom and Cultural Events

There were no government restrictions on academic freedom or cultural events.

b. Freedom of Peaceful Assembly and Association

The law provides for freedom of assembly and association, and the government generally respected these rights in practice.

At year's end one Odebrecht worker and a PNP officer remained in custody awaiting trial for killing two SUNTRACS union members in August 2007.

c. Freedom of Religion

The law provides for freedom of religion, provided that "Christian morality and public order" are respected, and the government generally respected this right in practice.

Societal Abuses and Discrimination

There were no reports of societal abuses, discrimination, or anti-Semitic acts. There was a Jewish population of approximately 10,000 persons.

For a more detailed discussion, see the *2008 International Religious Freedom Report* at www.state.gov/g/drl/irf/rpt.

d. Freedom of Movement, Internally Displaced Persons, Protection of Refugees, and Stateless Persons

The law provides for freedom of movement within the country, foreign travel, emigration, and repatriation, and the government generally respected these rights. The government generally cooperated with the Office of the UN High Commissioner for Refugees (UNHCR) and other humanitarian organizations in providing protection and assistance to internally displaced persons, refugees, returning refugees, persons under temporary humanitarian protection (THP), asylum seekers, stateless persons, and other persons of concern.

The government generally permitted freedom of movement for documented refugees and asylum seekers in the large urban centers; however, it restricted the freedom of movement of Colombian nationals living in the border region with Colombia under the THP regime, who could only leave these locations with special permits issued by the National Office for the Protection of Refugees (ONPAR).

The law prohibits forced exile, and there were no reports of its use.

Protection of Refugees

The law provides for the granting of asylum or refugee status in accordance with the 1951 UN Convention relating to the Status of Refugees and its 1967 protocol, and the government has established a system for providing protection to refugees.

In practice the government provided limited protection against the expulsion or return of refugees to countries where their lives or freedom would be threatened, but there was no accurate

data available on the number of such cases. ONPAR supervised borders with Colombia and Costa Rica. At times border officials and authorities in large urban centers did not have a clear understanding of their responsibilities when dealing with persons seeking asylum or refugee status, which resulted in arbitrary detention and risk of refoulement.

Asylum seekers and refugees were not provided with documentation in a timely fashion, and these documents were not always recognized as valid by public officials, including police, health service providers, schools, and banking institutions. Work permits were issued after a lengthy bureaucratic process.

At year's end migration authorities maintained in custody a group of 19 persons from Somalia, Eritrea, and Ethiopia who manifested a need for international protection; some of them had been detained for more than three months. Despite UNHCR referrals of the cases to ONPAR, these individuals were neither interviewed nor granted access to asylum procedures. The status of two additional groups of African nationals who arrived during the year remained pending at year's end.

Approximately 200 to 300 persons approached the government seeking refugee status, according to ONPAR. The law requires that the government's National Commission for the Protection of Refugees meet at least once every three months to determine the status of persons seeking refugee status. During the year the commission held two sessions in which seven cases (36 persons) were granted refugee status.

There were approximately 1,000 refugees in the country, including the 47 persons from the indigenous Wounaan community in Colombia who obtained refugee status in 2006.

On May 9, the government passed Law 25 creating an exceptional legal mechanism that allowed refugees to apply for permanent residency status. This mechanism applies only to persons who have been recognized as refugees for more than 10 years and requires that the applications be submitted within two years. Regulations and implementation procedures for this law, which took effect in November, had not been released by year's end. A 1998 decree grants protection to all persons entering the country due to "state persecution based on race, gender, religion, nationality, social group, or political opinion." The decree grants two months' temporary humanitarian protection to "displaced persons" in the case of a large influx. In practice the government did not enforce the two-month time limit.

The government also provided temporary protection to individuals who may not qualify as refugees under the 1951 convention and the 1967 protocol. This included the continued temporary humanitarian protection of approximately 542 displaced Afro-Colombians and approximately 359 of their dependents, some of whom were Panamanian citizens. Among these dependents were children born in the country as a result of marriages between displaced Colombians and Panamanian citizens. The government did not permit displaced Colombians to move or work outside of their assigned villages. Many displaced Colombians informed the government and UNHCR that they did not want to return to Colombia due to family and cultural ties with the local communities in Panama.

The UNHCR classified as "persons of concern" an estimated 15,000 persons living in the country who were believed to need international protection. These included persons for whom the government had denied refugee status and persons in the country who did not apply for refugee status due to lack of knowledge or fear of deportation. Among these persons were 62 Embera indigenous community members who left Colombia in 2005. Their cases were heard and rejected by the National Commission for the Protection of Refugees in October, but international humanitarian organizations noted irregularities in due process. The UNHCR had a permanent office in the country and was generally granted access to refugees and project sites where it could provide services to refugees, internally displaced persons, and persons under temporary humanitarian protection.

Stateless Persons

Citizenship is derived by birth within the country's territory, and the law provides for universal birth registration. The government made a sustained and successful effort to provide birth certificates to the Panamanian-born children of the 542 displaced Colombians. In remote areas some parents for economic or other reasons did not register their children at birth with the Office of Civil Registry of the Electoral Tribunal, the government agency responsible for birth registrations. These children occasionally experienced difficulties when later seeking to obtain a birth certificate. Persons without a birth registration certificate often had problems voting or accessing government services beyond basic education and healthcare.

Section 3 Respect for Political Rights: The Right of Citizens to Change Their Government

The law provides citizens the right to change their government peacefully, and citizens exercised this right in practice through periodic, free, and fair elections based on universal suffrage. The law provides for direct popular election every five years of the president, the vice president, legislators, and local representatives. Naturalized citizens may not hold certain categories of elective office.

Elections and Political Participation

In 2004 Democratic Revolutionary Party candidate Martin Torrijos won the presidency in national elections considered to be generally free and fair by domestic and international observers.

The law requires new political parties to meet strict membership and organizational standards to gain official recognition and participate in national campaigns. The law also requires political parties to be structured democratically, permits independents to campaign for the National Assembly, provides for the autonomy of the Electoral Tribunal, and limits the immunity of representatives in the National Assembly by permitting the Supreme Court of Justice to prosecute criminal cases against representatives.

Women held 12 of 78 seats in the legislature. There were four women in the 17-member cabinet and one female judge on the Supreme Court of Justice. The attorney general was a woman.

Five seats in the legislature were designated to represent the country's recognized indigenous regions. In general deputies in the legislature, cabinet members, or members of the Supreme Court of Justice did not identify themselves as members of ethnic or racial minorities.

Government Corruption and Transparency

The new Criminal Procedure Law criminalizes corruption and provides anticorruption mechanisms and norms, such as asset forfeiture and recovery mechanisms, whistleblower and witness protection, plea bargaining, and conflict of interest rules.

While the country made progress in control of corruption and regulatory quality, there were continued instances of government corruption. Weak administration and accountability among the branches of government and in rural areas facilitated corruption.

At year's end six employees of the Ministry of Education were in custody, charged with embezzling \$1.5 million from the Fund for Fairness and Quality in Education, funds intended to improve impoverished public schools. This prosecution resulted from training undertaken by the Anticorruption Investigation Unit in the Attorney General's Office, a part of the government's Good Governance Program.

To increase transparency and reduce corruption, the government transferred certain functions to computer-based processes. For example, the government's Internet-based procurement system (PanamaCompra) requires publication of all proposed government purchases on the Internet, the evaluation of proposals and monitoring of the procurement process, and advance public notice of intended procurement, including technical specifications and tender documents. An administrative court, whose rulings are subject to Supreme Court review, handles all public contracting disputes.

Additionally, commercial or industrial licenses may be obtained through the country's online business registration service (PanamaEmprende). This innovation, in which a prospective business owner may register his or her business in 15 minutes, reduced opportunities for corruption from the former process, which took 60 days and involved numerous interactions with local officials.

In September the Citizens Alliance for Justice reported that 87 percent of the goals set forth in the 2005 "State Pact for Justice" (a reform agenda for the years 2005-09 to curtail corruption) remained to be achieved.

Public officials were subject to financial disclosure laws, but this information, reported to the government, was not available to the public.

The transparency law provides public access to information from and about public entities with the exception of cabinet meeting minutes. When requests were denied, the reasons for the denial were given. Requesters can appeal access decisions to the Supreme Court of Justice.

Section 4 Governmental Attitude Regarding International and
Nongovernmental Investigation of Alleged Violations of
Human Rights

A number of domestic and international human rights groups generally operated without government restriction, investigating and publishing their findings on human rights cases. Government officials generally were cooperative and responsive to their views.

The Office of the Human Rights Ombudsman, elected by the National Assembly, has moral but no legal authority. Between January and November, the Office of the Ombudsman received 343 complaints and provided 3,889 legal orientations to citizen groups to familiarize them with their rights. The ombudsman enjoyed the government's cooperation and operated without government or party interference. The office had adequate resources, was considered to be effective, enjoyed public confidence, and issued reports with recommendations on environmental contamination and prison conditions on which the government took action.

Section 5 Discrimination, Societal Abuse, and Trafficking in Persons

The law prohibits discrimination on the basis of race, gender, disability, language, or social status, but there were allegations that these prohibitions were not always effectively enforced.

Women

The new Code, which went into effect in May, criminalizes rape and spousal rape with prison terms of five to 10 years and eight to 10 years with aggravating circumstances. The new Code removes the provision that a perpetrator can marry a victim who is at least age 14 and reduce the charge. It also mandates charging the perpetrator if the victim is between 14 and 18 years of age, unless there is proof of a longstanding relationship and the difference in age is less than five years. The majority of sexual crimes investigated by the PNP were cases of rape; however, statistics on prosecutions and convictions were not available. The PNP reported that it investigated every case relating to rape and domestic violence it received during the year.

The law criminalizes domestic abuse and family violence, for which it provides prison terms of two to four years. Domestic violence against women continued to be a serious problem. There were few convictions for domestic violence, except that abusers

were commonly convicted of unintentional killing in cases of abuse leading to spousal death. Between January and August, the PNP registered 1,212 cases of domestic violence and 436 cases of rape. Between January and December, 32 women died in domestic violence incidents. From January until October, the Ministry of Social Development (MIDES) received 901 complaints of domestic violence. In May the law was amended to make domestic violence an "aggravating circumstance" in homicide cases.

MIDES' National Directorate of Women, the government agency responsible for promoting the rights of women, oversaw a national media campaign, "You are Not Alone," which encouraged citizens to report incidents of domestic violence. MIDES also produced a directory of resources for female victims of domestic violence.

The government operated one shelter in Panama City for victims of domestic abuse and their children; the facility also occasionally sheltered trafficking victims. The shelter offered social, psychological, medical, and legal services. Between January and August, it provided accommodation and social services to approximately 54 women and 81 children.

Although prostitution is legal and regulated, with prostitutes required to register and carry identification cards, the majority of prostitutes were not registered. Although 2,650 sex workers were registered with the government, there was no accurate information regarding the number of persons practicing prostitution in the country. Trafficking in women was a problem.

The law prohibits sexual harassment in cases of established employer/employee relations in the private sector and in teacher/student relations; violators can receive one- to three-year prison sentences. The extent of the problem was difficult to determine because convictions for sexual harassment were rare, and preemployment sexual harassment was not actionable. The effectiveness of law enforcement could not be determined due to the small number of cases brought before the courts.

The law prohibits discrimination on the basis of gender, and women officially enjoyed the same rights as men, including rights under family law, property law, and the judicial penal system. Although the law recognizes joint or common property in marriages, the government did not allocate sufficient resources to enforce the law effectively. Although the law prohibits pregnancy discrimination, the International Labor Organization (ILO) Committee of Experts requested that the government take

further measures to ensure that women on temporary contracts are not vulnerable to pregnancy discrimination.

The law mandates equal pay for men and women in equivalent jobs, but in practice women on average received wages that were 30 to 40 percent lower than those received by men. Data was not available regarding executive positions held by women in the private sector, but 41 percent of government managers were women.

MIDES, through the National Directorate of Women, promoted equality of women in the workplace and equal pay for equal work, attempted to reduce sexual harassment, and advocated legal reforms.

Children

The government was committed to children's rights and welfare.

Although the law provides that citizenship is derived by birth within the country's territory, there were reports that children in remote areas had difficulty in obtaining birth registration certificates (see section 2.d.).

Education is compulsory through the ninth grade and the law establishes free public education through high school, but children did not always attend school due to traditional attitudes, financial and economic constraints, lack of transportation, and scarcity of secondary schools.

During the year the Public Ministry counted 617 criminal cases of sexual exploitation of minors, including 237 incidences of rape. Lack of reporting remained a problem, often because of parental involvement or complicity. Sexual abuse of children was reported in both urban and rural areas, as well as within indigenous communities.

MIDES received complaints regarding physical abuse of children. The ministry maintained a free phone line attended by psychologists, a lawyer, and social workers for children and adults to report abuses, and continued a television and newspaper campaign encouraging individuals to use the line. Between January and September, the line received 757 complaints of child mistreatment. Victims were directed to police authorities, hospitals, and protection centers.

Child labor was a problem, and trafficking in children occurred.

MIDES provided funding to 43 children's shelters operated by NGOs in seven provinces. Between January and August, these shelters housed 1,927 children. MIDES continued a program that used pamphlets in schools to sensitize teachers, children, and parents about maltreatment and sexual abuse of children.

The incidence of youth gang violence continued to rise, especially in poorer neighborhoods of Colon, David, and Panama City. Young adult gang leaders and some organized crime elements continued recruiting minors, with recruiters focusing on procuring youth to transport narcotics and other contraband, and perform killings for hire. Police continued to arrest and detain youths for minor infractions during neighborhood sweeps.

Trafficking in Persons

Although the law prohibits trafficking in persons for the purpose of sexual exploitation, persons were trafficked to, from, and within the country. The PNP Sex Crimes Unit reported that most victims trafficked into the country came from Colombia, the Dominican Republic, and Central America. The primary destinations for victims trafficked from the country were Jamaica and Europe. Most victims trafficked within the country were women and children trafficked into the sex trade. The PNP Sex Crimes Unit reported that the vast majority of trafficking victims were women older than 18 years.

The principal traffickers in the country were owners of houses of prostitution, and most transnational trafficking occurred using valid travel documents and was conducted through official ports of entry.

The Ministry of Government and Justice is responsible for developing policies to reduce trafficking in persons. MIDES is charged with protecting victims through shelters and related services. The PNP Sex Crimes Unit has responsibility for investigating and arresting persons involved in trafficking. The unit worked closely with the PNP Special Section on Crimes of Sexual Exploitation and the Division of Crimes relating to Shame, Integrity, and Sexual Liberty.

The law criminalizes trafficking and pornography and proscribes the promotion of sex tourism and use of the Internet for soliciting for sexual exploitation. Persons who engage in human trafficking for sexual activity can receive five to eight years in prison or, in cases involving a minor, eight to 10 years. The

law permits undercover operations and the monitoring of suspects' computers in sex crime cases. As of October the foreign national convicted and sentenced in 2007 to five years' imprisonment for trafficking in persons remained free on bail pending appeal.

In the 13 months preceding June, the PNP Sex Crimes Unit investigated 34 cases of child prostitution, 24 cases of child pornography, and 16 cases of sexual trafficking; the prosecutor's office initiated its own investigations. There was no information available on the outcome of the investigations.

The immigration law that took effect in August under Executive Decree 320 eliminates the "alternadora" visa, a visa permitting foreign women to work in entertainment establishments in the country and commonly used to facilitate prostitution. Under the new law, nightclub workers and adult entertainers fall under the general visa class for all types of entertainers who wish to enter the country for temporary work. The law also creates a new registry for businesses dedicated to entertainment in the country, which is intended in part to limit requests for visas in the adult entertainment industry, permit monitoring of businesses that apply, and ensure that the businesses operate legally. In addition to numerous documentation requirements, the new law requires that all entertainment visa holders attend an antitrafficking education seminar at the Immigration Directorate. Individual visa applicants must provide comprehensive personal information, make a \$1,000 deposit with the Immigration Directorate, and provide proof of a return ticket to their home countries. No entertainment visas have been granted to employees of bars or nightclubs under the new law.

The new immigration law, which emphasizes cases involving minors, also creates a special trafficking victims' unit within the Immigration Directorate; a full-time employee was hired to manage the unit. The unit must provide physical and identity protection to victims in addition to returning them to their countries of origin and mandates several measures to combat trafficking. The new unit assisted at least one Colombian woman and her family who were working in the country illegally.

In December 2007 the attorney general issued an internal decree (Resolution 35) mandating that every province have a prosecutor trained to prosecute trafficking cases. Additionally, a prosecutor, based in Panama City, was dedicated solely to prosecuting trafficking cases.

The law does not hold trafficking victims criminally responsible for prostitution or immigration crimes. The law provides for indemnification of victims of trafficking, even if they return to their home country, and for costs of medical and psychological treatment, temporary housing, legal fees, and emotional suffering.

The country's consular officers provided assistance to trafficking victims. MIDES continued providing shelter and other services to victims of commercial sexual exploitation, using substitute families, its own shelter, and the shelter of the NGO Hogar Malambo, which it subsidized. The government shelter, which was located in a former prison, did not have adequate infrastructure to house trafficking victims.

The government worked with the ILO's International Program on the Elimination of Child Labor (IPEC) on trafficking initiatives, including through producing pamphlets on sexual exploitation and trafficking for distribution to public school educators. The Commission on Justice and Peace, a Catholic NGO, counseled victims about their rights and modes of assistance, and the Center of Legal Assistance provided legal assistance for victims. The Center of Family Studies and Training researched trafficking and educated women about trafficking and gender-based crime. In an effort to detect trafficking of minors, the new immigration law requires the creation of a registry of minors traveling internationally without parents or other legal guardians.

The National Committee for the Prevention of Sexual Crime (CONAPREDES) allocated additional funding for combating trafficking and for victims' assistance via member institutions. The law requires that, to raise revenue for the activities of CONAPREDES, customs authorities collect one dollar from each tourist leaving the country; however, at year's end the government had not implemented a mechanism to collect these funds. The government cooperated through information sharing with international investigations of persons accused of trafficking. In June CONAPREDES rolled out the government's National Plan for the Prevention and Elimination of Sexual and Commercial Exploitation of Children and Adolescents, 2008-2010, and in November opened a three-person technical office to implement the plan.

The State Department's annual *Trafficking in Persons Report* can be found at www.state.gov/g/tip.

Persons with Disabilities

The law prohibits discrimination based on physical or mental disability; however, the constitution permits the state to deny naturalization to persons with mental or physical disabilities. Persons with disabilities continued to experience substantial discrimination in employment, education, access to health care, and other state services. Although some public schools admitted children with mental and physical disabilities, most did not have adequate facilities for children with special needs. The government took some remedial steps, including installing ramps in schools and mainstreaming some children with disabilities. The law mandates access to new or remodeled public buildings for persons with disabilities and requires that schools integrate children with special needs.

Although private schools built ramps to comply with the law mandating access, few admitted children with special needs. In May the government established a consultative committee, Let's Live without Barriers, to follow up on enforcement of laws for inclusion and access for persons with disabilities. The committee produced accessibility guidelines for public areas and held awareness workshops with engineers and architects to brief them on the guidelines for ramps, entrances, and parking spaces. By September the ombudsman had received five complaints of violations of the rights of persons with disabilities.

The National Secretariat for the Social Integration of Persons with Disabilities is the government agency responsible for protecting the rights of persons with disabilities. The Ministry of Education and MIDES share responsibilities for educating and training minors with disabilities.

The Ministry of Labor and Labor Development (MITRADEL) was responsible for placing workers with disabilities in suitable jobs. Placement remained difficult due to employer reluctance to hire workers with disabilities, despite a legal requirement that at least 2 percent of personnel be persons with disabilities.

The government continued operating the Family Businesses Project, which assisted 296 low-income families with members with disabilities to open microbusinesses. The government disbursed \$50 monthly to low-income persons with disabilities and also continued donating rehabilitation equipment, including crutches, wheelchairs, and cerebral palsy chairs.

National/Racial/Ethnic Minorities

Minority groups generally have been integrated into mainstream society, but problems continued with negative societal attitudes toward blacks, indigenous groups, and other ethnic communities. Generalized public prejudice, including ethnic slurs, against the country's newer immigrants at times was overt. Cultural differences, illegal immigration status, and language difficulties hindered a number of immigrant and first-generation Chinese from fully integrating into mainstream society.

At times Middle Eastern and Indian residents also were the subject of negative societal attitudes by the general public because of reluctance by some members of these communities to integrate into mainstream society. These groups often owned major businesses or worked in the country's retail trade. A constitutional provision reserving retail trade for citizens of the country generally was not enforced.

At least 14 percent of the population identified themselves as black. The black community was underrepresented in the highest positions of political and economic power. Many blacks remained clustered in economically depressed areas of Colon and Panama City. Societal prejudices toward blacks generally were subtle. Although the law specifically prohibits discrimination involving entry to public or commercial establishments, such as restaurants, and sets fines from \$250 to \$1,000 for violations, there were reports that some commercial establishments continued openly to operate a "right of admission" policy, discriminating against darker-skinned individuals or those of lower social status. Cases of discrimination were difficult to prove, imposing complicated, time-consuming, and costly requirements to obtain legal remedies. In December the daily *La Prensa* reported that a bar refused entry to a black person, but no official complaint was filed.

There were reports of racial discrimination against various ethnic groups in the workplace. In general lighter-skinned persons were represented disproportionately in management positions and jobs that required dealing with the public, such as bank tellers and receptionists. Some of the country's lighter-skinned elite discriminated against citizens with darker skin through preferential hiring practices in the private sector and manipulation of government resources in the public sector. Employers often required job applicants to submit photographs with their resume, which they used to discriminate against persons based on appearance.

Indigenous People

The law affords indigenous people the same political and legal rights as other citizens, protects their ethnic identity and native languages, and requires the government to provide bilingual literacy programs in indigenous communities. Indigenous people, comprising approximately 10 percent of the population, have the legal right to take part in decisions affecting their lands, cultures, traditions, and the allocation of natural resources. There were legally designated comarcas (provincial-level indigenous regions) governed by traditional community leaders for five of the country's seven indigenous groups, including the Embera-Wounaan, Ngobe-Bugle, and Kuna. The government did not recognize comarcas for the Bri-Bri and Naso communities.

The Ministry of Government and Justice maintained an Office of Indigenous Policy. Although federal law is the ultimate authority on indigenous reserves, local groups maintained considerable autonomy. The government recognized traditional Kuna marriage rites as the equivalent of a civil ceremony. Indigenous workers had greater health problems and mortality rates, suffered from lack of educational and health services, had lower life expectancy, and experienced higher levels of malnutrition compared to nonindigenous workers. The International Fund for Agricultural Development estimated the poverty rate among the indigenous population at 95 percent. Although indigenous people represented only 10 percent of the population, they accounted for 19 percent of those considered poor and 34 percent of those in extreme poverty.

Many indigenous people misunderstood their rights and failed to employ legal channels when threatened because they did not have an adequate command of Spanish. The government did not provide legal tribunals in indigenous areas and failed to address specific indigenous property and resource use rights problems. Outside settler encroachment threatened the comarca of the Ngobe-Bugle, while the Embera-Wounaan struggled to protect their intellectual property rights concerning medicinal plants.

Social and employment discrimination against indigenous people was widespread. The ILO reported that employers paid indigenous workers 32 percent less than nonindigenous workers. Employers frequently did not afford indigenous workers basic rights provided by the labor laws such as a minimum wage, social security benefits, termination pay, and job security. Indigenous laborers in the country's sugar, coffee, and banana plantations

continued to work under worse conditions than their nonindigenous counterparts. Employers were less likely to provide quality housing or food to indigenous migrant laborers, and the children of these workers were much more likely to work long hours of heavy farm labor than nonindigenous children. A 2006 ILO report, the most recent available, estimated that 14 percent of indigenous children ages 5 to 17 performed some type of child labor.

Other Societal Abuses and Discrimination

An August 1 executive decree decriminalized sodomy. There was societal discrimination against homosexuals, who often were denied employment opportunities. The internal regulations of the PNP describe homosexuality as a "grave fault." There were reports that the PNP fired police officers because of the officers' sexual preferences and that officers hid their sexual orientation due to fear of job termination. The DRP director defended the regulations on the basis that both physical and mental health were required of police officers.

The law prohibits discrimination against persons with HIV/AIDS in employment and education, but discrimination continued to be common due to ignorance of the law and a lack of mechanisms for ensuring compliance. The Ministry of Health and Social Security provided treatment for HIV/AIDS.

Section 6 Worker Rights

a. The Right of Association

The law recognizes the right of private-sector workers to form and join unions of their choice, a choice that is subject to the union's registration with the government. The law requires a minimum of 40 persons to form a private-sector union and permits only one union per business establishment; the ILO Committee of Experts criticized both provisions as violations of workers' rights to organize. The law permits workers to organize under a skill set or trade unions, as long as these have 40 members. These unions may operate alongside employer-specific unions in the same business.

The law prohibits public servants from forming unions but allows them to form associations, which can bargain collectively on behalf of members. Union leaders for both public- and private-sector unions must be citizens.

The law provides that if the government does not respond to a registration application within 15 days, the union automatically gains legal recognition; however, unionists asserted that such automatic registration did not occur in practice. MITRADEL reported that inadequate personnel resources, case backlogs, and incomplete or inaccurate information in applications delayed the processing of new registrations within the required time frame.

The National Federation of Public Servants (FENASEP), an umbrella organization of 21 public-sector worker associations representing primarily administrative staff of government agencies, is not permitted to call strikes or negotiate collective bargaining agreements, as individual associations negotiate on behalf of their members. Other public workers, such as doctors, nurses, and firefighters, have separate associations that negotiate on their behalf. The law grants public employees a limited right to strike, except for those in areas vital to public welfare and security, including police and health workers. At least 25 percent of the workforce must continue to provide minimum services in the case of administrative workers, and 50 percent of workers providing "essential public services," such as transportation, firefighting, telecommunications, and mail, must continue to provide those services.

The ILO Committee of Experts expressed continued concerns that the government had not amended the law to permit strikes by federations such as FENASEP. The ILO also requested that the government remove transport workers from strike restrictions in essential services.

The law governing the autonomous Panama Canal Authority prohibits the right to strike for its 9,497 employees but does allow unions to organize and to bargain collectively on such issues as hours and safety and provides for arbitration to resolve disputes. There were no developments respecting the claim the National Confederation of United Unions filed with the IACHR filed on behalf of Panama Canal employees, which protested the Supreme Court's failure to rule on its 2001 complaint against articles of the law that prohibit its members' right to strike.

b. The Right to Organize and Bargain Collectively

The law provides all private-sector and most public-sector workers the right to organize and bargain collectively, and private worker unions exercised this right widely. The law

establishes a conciliation section in MITRADEL to resolve private labor complaints and provides a procedure for mediation. These conciliation tribunals include representatives from the government, labor, and the private sector, and address cases in which the claim in dispute is no more than \$1,500. While labor leaders favored these tribunals, some civil society groups criticized the tribunals as routes for circumventing the role of the judiciary and leaving interpretation of labor laws to the discretion of persons who might lack expertise. A Board of Appeal and Conciliation in the Ministry of the Presidency hears and resolves complaints for public-sector workers. If not resolved by the board, complaints are referred to an Arbitrage Tribunal, which consists of representatives from the employer, the employee association, and a third member chosen by the first two. Decisions of the Arbitrage Board are final.

Employers in the retail industry frequently hired temporary workers to circumvent labor code requirements for permanent workers. In lower-skilled service jobs, employers often hired employees under three-month contracts for several years, sometimes sending such employees home for a month and later rehiring them. Employers also circumvented the law requiring a two-week notice for discharges by dismissing some workers one week before a holiday. Due to labor laws that make it difficult to fire employees who have worked two years or more, employers frequently hired workers for one year and 11 months and subsequently laid them off.

MITRADEL's *Manual of Labor Rights and Obligations* provides that unorganized workers can petition MITRADEL regarding labor rights violations and exercise the right to strike but that only unions can negotiate collective bargaining agreements. However, Supreme Court decisions have recognized that collective agreements negotiated between employers and unorganized workers have legal status equivalent to collective bargaining agreements.

The labor code prohibits employer antiunion discrimination and protects workers engaged in union activities from loss of employment or discriminatory transfers.

The government reduced the minimum number of public servants required to form a worker association from 50 to 40, a number the ILO Committee of Experts still considered too high. According to the National Council of Organized Workers, only 8 to 10 percent of workers were unionized. The leaders of the four public-service worker associations enjoy legal immunity from

dismissal and other employer retaliatory behavior in relation to worker representation and organizing activities.

In 2007 the government offered \$21.9 million as final compensation for 270 dismissed public-sector electricity and telecommunications workers in an effort to comply with a 2001 Inter-American Court of Human Rights ruling. In August, 187 of the workers, more than two-thirds as required by the IACHR ruling, agreed to accept this offer as final compensation.

Unions and collective bargaining are permitted in export processing zones (EPZs) and call centers. A strike is considered legal after 36 work days of conciliation; otherwise, striking workers could be fined or fired. These procedures are somewhat more prescriptive than those that generally apply.

There were approximately 1,142 employees in the country's 15 EPZs and 6,124 employees in the country's 58 call centers, which operated under the law applicable to EPZs.

c. Prohibition of Forced or Compulsory Labor

The law prohibits forced or compulsory labor by adults and children, and there were no reports that such practices occurred.

d. Prohibition of Child Labor and Minimum Age for Employment

The law contains provisions to prevent exploitation of children in the workplace. MITRADEL, which has responsibility for enforcement, was reasonably effective in enforcing the law in the formal sector. During the year the ministry performed 440 inspections to ensure compliance with child labor regulations.

The labor code prohibits the employment of children under age 14, although exceptions can be made for children 12 and over to perform light farm work for up to six hours per day that does not interfere with their school hours. The law prohibits the employment of minors age 15 and older if the minor has not completed primary school. Nonetheless, child labor in agriculture and in the informal sector of the economy remained a problem, and the ombudsman reported that 55,919 children were working instead of attending school.

The law provides that children under age 18 cannot work more than six hours per day and cannot work at night. The law

prohibits the employment of minors under the age of 18 in hazardous labor. MITRADEL enforced these provisions in response to complaints and has authority to order the termination of unauthorized employment. The government acknowledged that it was unable to enforce some child labor provisions in rural parts of the country; due to insufficient staff, MITRADEL conducted only limited inspections in those areas.

Child labor violations occurred most frequently in rural areas, in subsistence and commercial agriculture, especially during the harvest of sugar cane, coffee, palm, melons, and tomatoes. Farm owners often paid according to the amount harvested, leading many laborers to bring their young children to the fields to help with the work. The problem of child labor in agricultural areas fell most heavily on indigenous families, who often migrated out of their isolated communities in search of paid work. These frequent migrations interrupted schooling.

Child domestic labor was a problem. According to the 2000 census, the most recent available, more than 6,000 children between the ages of 10 and 17 worked as domestic servants, although the law prohibits such employment under age 14. Government enforcement of domestic labor violations was traditionally weak because the place of work was a private residence.

Many children continued laboring in the informal sector as street vendors, shoe shiners, car window washers, baggers in supermarkets, trash pickers, or beggars. A 2005 ILO survey, the most recent available, estimated that 52,000 children between the ages of five and 17 worked in the informal sector. There were no firm statistics available regarding the number of child laborers or the number of working children who did not attend school.

The government provided awareness raising and training on combating child labor for its officials and civil society. The Department of Children, within MIDES, searched the main streets of Panama City twice monthly looking for children engaged in work; it also managed a hot line to receive reports of child labor. MIDES also operated programs in three districts of Panama City, which offered comprehensive services to children at risk and their families, including home visits, tutoring, counseling for parents, and school visits.

The Committee for the Eradication of Child Labor and Protection of Working Adolescents, established in March, provided 2,500

scholarships to children ages 5 to 14 who were working in the metropolitan areas of Panama City and Colon.

IPEC, with government support, continued carrying out programs in the comarca of the Ngobe-Bugle, in Santiago de Veraguas, and in Chorrera to provide scholarships to working children to allow them to begin or return to primary school and to provide their parents job training and literacy programs. During the year 369 students received individual scholarships of \$420 through this program.

e. Acceptable Conditions of Work

The law establishes minimum wage rates for specific regions and for most categories of labor. In 2007 new regional and sector specific minimum wages were established as part of a transparent process that included representatives from labor, business, and government. The minimum wage ranged from \$1.01 to \$1.87 per hour. The agricultural and construction sectors received the lowest and highest minimum wage, respectively. This wage did not provide a decent standard of living for a worker and family. Most workers formally employed in urban areas earned the minimum wage or more. Approximately 40 percent of the population worked in the large informal sector and earned far below the minimum wage. This was particularly the case in most rural areas, where unskilled laborers earned from three to three to six dollars per day without benefits. The government did not enforce labor laws in most rural areas.

The law establishes a standard workweek of 48 hours, provides for at least one 24-hour rest period weekly, limits the number of hours worked per week, provides for premium pay for overtime, and prohibits excessive or compulsory overtime. MITRADEL generally enforced these standards in the formal sector.

MITRADEL is responsible for setting and enforcing health and safety standards and generally did so. Information on the number of workplace inspections during the year was unavailable.

Inspectors from MITRADEL and the occupational health section of the Social Security Administration conducted periodic inspections of hazardous employment sites and responded to complaints. The government failed to adequately enforce health and safety standards. Construction workers and their employers were lax about conforming to basic safety measures.

The labor code requires employers to provide a safe workplace environment, including the provision of protective clothing and equipment for workers, but does not specifically recognize the right of a worker to leave a dangerous work situation without jeopardy to continued employment. In practice workers removed themselves from situations that presented an immediate health or safety hazard without jeopardizing their employment.